

Message Text

CONFIDENTIAL

PAGE 01 QUITO 02372 141819Z
ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 INRE-00 SSO-00 NSCE-00
USIE-00 AID-05 CEA-01 CIAE-00 COME-00 DODE-00
EB-08 FEAE-00 H-01 INR-07 INT-05 L-03 NSAE-00
NSC-05 OMB-01 PM-04 OES-06 SP-02 SS-15 STR-04
TRSE-00 /078 W

-----141824Z 075083 /42

O R 141800Z APR 77
FM AMEMBASSY QUITO
TO SECSTATE WASHDC IMMEDIATE 3896
INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 2372

E.O. 11652: GDS
TAGS: EINV ENRG PFOR EC
SUBJECT: GULF

REF: QUITO 2370

1. GENERAL DURAN CALLED THE AMBASSADOR ON THE MORNING OF APRIL 14 TO INFORM HIM THAT GULF AND GOE NEGOTIATORS HAD REACHED AN UNDERSTANDING THAT WOULD PERMIT GOE TO SIGN THE BUY-OUT AGREEMENT. GENERAL DURAN SAID THE TWO ISSUES WHICH HAD BEEN HOLDING UP THE SIGNING HAD BEEN RESOLVED. MARCH RICH, HE SAID, WILL BE SUBMITTED FOR JUDGMENT UNDER ECUADOREAN LAWS. A SOLUTION TO DECREE 285 WAS REACHED BETWEEN GOE NEGOTIATORS AND LOCAL GULF REPS AND LACKS ONLY APPROVAL BY TOP GULF OFFICIALS IN THE US.

2. GENERAL DURAN SAID HE BELIEVED THE PROPOSED SOLUTION TO THE DECREE 285 ISSUE WAS A VERY REASONABLE ONE AND THAT HE WAS HOPEFUL THERE WOULD BE NO PROBLEM REGARDING ITS ACCEPTANCE BY GULF AUTHORITIES IN THE US. PROVIDING US GULF AUTHORITIES DO AGREE TO THE PROPOSED SOLUTION GENERAL DURAN SAID HE BELIEVED THE SIGNING OF THE BUY-OUT
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AGREEMENT COULD TAKE PLACE MONDAY, APRIL 18.

3. COMMENT: THE INFORMATION GIVEN THE AMBASSADOR BY GENERAL DURAN GENERALLY PARALLELS THAT CONTAINED IN REFTEL. HIS PURPOSE IN CALLING WAS OBVIOUSLY TO ENLIST THE SUPPORT OF THE USG IN GETTING GULF TO ACCEPT THE PROPOSED SOLUTION TO DECREE 285 AND ENABLE THE GOE TO

SIGN THE BUY-OUT AGREEMENT. GULF MANAGER O'BRIEN INFORMED
AMB. THIS MORNING OF SEVERAL CHANGES GULF WILL WANT IN THE
DECREE 285 ACTA. ALL OF THESE APPEAR TO BE
REASONABLE. MAJOR STICKING POINT WITH GULF WILL BE THE
LETTER OF CREDIT. O'BRIEN SAYS THAT THE GOE NEGOTIATORS
MAY YET AGREE WITH GULF'S LOWER FIGURE (REFTEL) IN WHICH
CASE THE LETTER OF CREDIT WOULD BE \$400,000 INSTEAD OF A
MILLION. IN ANY EVENT, WE BELIEVE IT MOST IMPORTANT THAT
GULF MANAGEMENT UNDERSTAND THE POLITICAL CONTEXT OF THIS
ISSUE AND BE FLEXIBLE ON THE LETTER OF CREDIT FOR
THE SAKE OF GETTING THE GOE'S SIGNATURE ON THE OVERALL
AGREEMENT.
BLOOMFIELD

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLAIMS, PETROLEUM INDUSTRY, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 14-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977QUITO02372
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770130-0091
Format: TEL
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770457/aaaabxiz.tel
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Litigation History:
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Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: 77 QUITO 2370
Retention: 0
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Review Content Flags:
Review Date: 18-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2806133
Secure: OPEN
Status: NATIVE
Subject: GULF
TAGS: EINV, ENRG, PFOR, EC, US, GULF
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/b53723a5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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